

**IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH: BANGALORE**

**BEFORE SHRI B. R. BASKARAN, ACCOUNTANT MEMBER
AND
SMT. BEENA PILLAI, JUDICIAL MEMBER**

ITA No.1346/Bang/2019
Assessment Year: 2013-14

Sri Noor Ahmed No.19, 100 Feet Road Ilyas Nagar, J.P. Nagar Post Bengaluru PAN NO : ADZPA6519Q	Vs.	ITO Ward 4(3)(3) & CIT(A)-4 Bengaluru
APPELLANT		RESPONDENT

Appellant by	:	N O N E
Respondent by	:	Shri Priyadarshi Mishra, D.R.

Date of Hearing	:	30.08.2021
Date of Pronouncement	:	01.09.2021

O R D E R

PER B.R. BASKARAN, ACCOUNTANT MEMBER:

The assessee has filed this appeal challenging the order dated 19.3.2019 passed by Ld. CIT(A)-4, Bengaluru and it relates to the assessment year 2013-14.

2. None appeared on behalf of the assessee even though the adjournment was granted to the assessee on earlier occasions at the request of the assessee's counsel and also notice of hearing was sent to the assessee's counsel by registered post on another occasion. Hence, we proceed to dispose of the appeal ex-parte, without the presence of the assessee.

3. We heard Ld. D.R. and perused the record. The assessee is challenging the additions made by the A.O., which have been confirmed by Ld. CIT(A).

4. We heard Ld. D.R. and perused the record. The assessee filed his return of income for the year under consideration on 23.12.2013 declaring total income of Rs.21,53,750/-. During the course of assessment proceedings, the A.O. noticed that the closing balance of Capital account shown in the earlier year's Balance Sheet, i.e., as on 31.3.2012 filed for assessment year 2012-13 was Rs.87,06,417/-. However, in the balance sheet filed for the assessment year 2013-14, the opening capital was shown at Rs.3,57,88,935/-. Hence, the A.O. assessed the difference of Rs.2,70,82,518/- as income of the assessee. The A.O. also noticed that the assessee has purchased plant & machinery and cars for a sum of Rs.20 lakhs during the year under consideration. The A.O. asked the assessee to furnish the copies of bills/invoices relating to the above said purchases. Since the assessee did not furnish the details, the A.O. assessed the above cited sum of Rs.20 lakhs also as income of the assessee.

5. Before Ld. CIT(A), the assessee did not appear, even though several opportunities were given. Hence, the Ld. CIT(A) confirmed both the additions made by the A.O.

6. We notice that the assessee has furnished before us copies of returns of income filed for assessment year 2012-13 and 2013-14 along with relevant balance sheets. A perusal of balance sheet as on 31.3.2013 shows that the assessee has taken opening balance as Rs.87,06,417/-, which was reflected as closing balance as on 31.3.2012 in 2012-13. During the year under consideration, the assessee has introduced additional capital of Rs.2,70,82,518/-. Accordingly, it is stated in the grounds of appeal filed before the

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Tribunal that the assessee has brought forward correct amount of capital balance only from the earlier year. It is not clear as to whether the very same Balance Sheet was filed before the AO during the course of assessment proceedings. In any case, the difference of Rs.2,70,82,518/- has been shown as additional capital introduced during the current year. Hence, the point which requires to be explained by the assessee is the sources for introduction of additional capital of Rs.2,70,82,518/-. Accordingly, the issue of difference in capital, in our view, requires fresh examination. The next addition of Rs.20.00 lakhs was made only for the reason that the assessee has not furnished relevant invoices. In the interest of natural justice, we are of the view that the assessee may be provided with an opportunity to furnish the same.

7. We notice that the assessee has also not appeared before Ld. CIT(A). Accordingly, we deem it fit to restore both the issues to the file of Ld. CIT(A). Accordingly, we set aside the order passed by Ld. CIT(A) on both the issues and restore them to his file for adjudicating them afresh. We also direct the assessee to furnish necessary information and explanations before the Ld. CIT(A) in support of his contentions to enable expeditious disposal of the appeal.

8. In the result, the appeal filed by the assessee is treated as allowed for statistical purposes.

Order pronounced in the open court on 1st Sept, 2021

Sd/-
(Beena Pillai)
Judicial Member

Sd/-
(B.R. Baskaran)
Accountant Member

Bangalore,
Dated 1st Sept, 2021.
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The CIT(A)
5. The DR, ITAT, Bangalore.
6. Guard file

By order

**Asst. Registrar,
ITAT, Bangalore.**